

STATEMENT

OF FACTS CONNECTED WITH THE ISSUE OF
DEBENTURES UNDER

BY LAW NO. 118.

BY THE

TOWNSHIP OF BAYHAM,

WITH AFFIDAVITS, &c.,

SOUGHT TO BE LEGALIZED BY ACT OF PARLIAMENT.

WILSON & MATHESON,

Attorneys for Debenture Holders.



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STATEMENT

RESPECTING DEBENTURES ISSUED BY THE MUNICIPAL COUNCIL
OF THE TOWNSHIP OF BAYHAM, IN 1854, SOUGHT TO BE
LEGALIZED BY ACT OF PARLIAMENT.

In the year 1854, a number of persons in the Township of Bayham agreed, together to form a Joint Stock Company, for the purpose of constructing a Plank and Gravel Road, to connect Port Burwell with the road running from the Northern boundary of Bayham to Ingersoll. Steps were taken to have said Company incorporated by the name of "The Bayham, Richmond and Port Burwell Road Company," according to the provisions of the Act respecting Joint Stock Companies; and a large amount of stock was subscribed by responsible parties in the Township.— Application was subsequently made to the Municipal Council of Bayham for a loan of £4,000, in order to assist the Company in completing their work; and on the 1st of July, 1854, (at which time there was no provision for submitting money by-laws to the popular vote,) a By-Law, No. 116, was passed, providing for the loan of that sum by the issue of debentures, redeemable as therein set forth.

The debentures were accordingly issued and handed over to the Treasurer of the Road Company for negotiation, and a first mortgage on the road executed and delivered, to indemnify the Township and secure the repayment of the loan. The arrangement between the Council and the Company was, that the latter should pay the coupons and debentures as they fell due, in pursuance of which a sum sufficient to meet the first coupons was paid by the Company into the hands of the Township Treasurer.

The Company had let out contracts for the building of the road, and with the proceeds of the debentures, added to the amount paid in stock, the road was soon nearly completed. Twelve and a-half miles of it were finished, planked and gravelled, and the remainder, about three and a-half miles, (the whole length of the road being 16 miles,) was graded. In these operations there was properly expended, as appears by the books of the Company, *over and above the proceeds of the debentures*, a sum amounting very nearly to \$6,500. The contracts were for sums considerably larger than the above, and by reason of the subsequent failure of the Company the contractors lost heavily, a large portion of the work done not having been paid for.

In 1855, when the funds at the disposal of the Company were exhausted, an application for a further loan of £4,000 was made to the Municipal Council; a vote of the ratepayers of the Township was taken as to granting this loan, and resulted in its favor by a small majority. A By-Law granting this second loan was subsequently passed, and debentures to the amount of £4,000 issued and delivered to the Treasurer of the Company; but before these were negotiated it was discovered that the By-Law had not been advertised for a sufficient length of time, and that consequently the By-Law was illegal.

The debentures issued under its authority were accordingly delivered up to the Township and cancelled, and a second meeting of the people was called to vote on the proposed second loan, and the vote resulted in the defeat of the By-Law by a majority of about thirty. There is most positive and unimpeachable evidence that these *two meetings* held with reference to the proposed second loan were the ONLY MEETINGS called to express any opinion of the ratepayers as to the propriety of the Township TAKING STOCK IN, lending money to, or issuing debentures in favor of the Road Company, or assisting the same in any way whatsoever.

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The Company being in want of funds to pay the contractors, called in stock, and sued several stockholders who neglected to respond to the calls, a number of judgments were obtained in favor of the Company; but in one of the suits instituted in the Division Court in Bayham, the question as the Company being properly incorporated was raised, and in this issue judgment was given for the defendant. The question involved was, whether there had been a sufficient amount of stock subscribed to entitle the Company to the privileges of incorporation under Statute 16 Victoria, Cap. 190, as it appeared that the Secretary of the Company, WITHOUT ANY AUTHORITY, (as was subsequently proved,) had struck-out the name of a Stockholder who had died, and the amount subscribed was thereby made to appear less than £4,000, the sum inserted in the instrument referred to in the Statute, as being the capital stock of the Company. In consequence of this decision, the operations of the Company ceased at once, and have never since been resumed. Soon afterwards the second coupons on the debentures fell due, and the debenture-holders applied to the Treasurer of the Township for payment, but were informed that he had no funds on hand for their redemption, and that the debentures together with the coupons attached thereto were illegal; since that time the Council have continually refused to pay either principal or interest on the debentures, and allege, as an excuse for non-payment, that the By-Law No. 116 under which they were issued was illegal, inasmuch as it reserved no SINKING FUND for the redemption of the debentures, making them a charge on the general funds of the Township instead of providing for raising a sufficient sum by special rate, and did not recite the amount of rateable property in the Township according to the last revised assessment roll.—The debenture-holders are therefore without remedy unless the By-Law and proceedings subsequent upon it are legalised by Act of Parliament.

Anthony Scealey, purchaser and holder of debenture

No. 3, in the latter part of 1859, filed a Bill in Her Majesty's Court of Chancery for Upper Canada, against the representatives of John McCollum, late Treasurer of the Road Company, with the view of making his estate responsible for the amount of the said debenture which Mr. McCollum had negotiated. This suit was dismissed for want of equity; the Plaintiff being unable to show that the debenture had been GUARANTEED to be good.—During the progress of the suit a petition was largely signed by the ratepayers of the Township, addressed to the three Branches of the Legislature, in the following words:

"The Petition of the undersigned inhabitant ratepayers of the Township of Bayham, in the County of Elgin,

"RESPECTFULLY SHEWETH,—That on the Twenty-fifth day of March, A.D. One Thousand Eight Hundred and Fifty-four, a Joint Stock company was formed, denominated the Bayham, Richmond and Port Burwell Plank Road Company—that stock was subscribed thereto, to the amount of four thousand pounds currency—that six per cent. of said stock was paid in. That application was made to the Township Council of Bayham, to take stock in said company, which was refused; but said Council consented to loan to the said company, money or debentures, to enable the Directors to complete the said road at once. The road was forthwith commenced, the work thereon progressing, and application made, by the Directors, to the Council, for the money or debentures promised, whereupon the Council issued Township debentures to the amount of four thousand pounds, bearing interest at the rate of six per cent., and received a mortgage upon the road, as security for the debentures so issued. That said debentures were sold by the directors of said road, at a discount of about twenty-five per cent., the proceeds of which were all expended in the construction of said road. That immediately thereafter suits at law were commenced for the recovery of unpaid subscriptions of stock in the said company, and upon

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the trials an illegality was discovered in the formation of the said company, and also in the issuing of the said debentures, in consequence of which the progress of the road was stopped; the interest on the debentures remains unpaid, and some of the holders thereof have already commenced suits in Chancery to recover the amount from the Directors of the said road.

"We, the undersigned, therefore, believing that the said Council issued said debentures in good faith, and that the amount thereof should be raised by taxation upon the rateable property of the said Township of Bayham, so that the many will not feel or realise but a little of the burthen now being borne, or about to be borne, by a few. We, therefore, most earnestly pray your Honorable House to so legalize the said By-Law of the said Council of the aforesaid Township of Bayham, passed on the day of A.D. one thousand eight hundred and fifty for the issuing of said debentures; so that the amount actually realised by the said Directors for the same, together with simple interest thereon, may be made collectable by taxation upon the rateable property of the Township of Bayham."

(Signed) J. M. GRAHAM, and 303 others.

In consequence of the decision of the Court of Chancery this Petition becoming useless as far as the defendants were concerned, was not further proceeded with.

Toward the latter part of the year 1864, an effort was made on behalf of the debenture-holders to compromise with the Council of Bayham, and a By-Law No. 216 was introduced. Previously to the submission of this By-Law to the people the Council issued the following statement to the ratepayers:

"GENTLEMEN,—Your present Councillors deem it their duty to place before you such facts as have been presented to their notice in connection with the debenture case."

"You are all probably aware that a Petition was presented to this Council on behalf of holders of certain de-

bentures issued under the authority of By-Law No. 116, passed by the Council of this Township, in the year 1854, asking the assistance of this Council in procuring the legalising of said By-Law No. 116, under which said debentures were issued, which appears to be illegal or defective.

"After due and careful consideration, this Council felt they would not be acting in accordance with the great principle of British right (the right of Petition,) in rejecting said Petition involving so large an amount. But proposed to the agent of the bondholders, that if some considerable reduction were made in the amount claimed, they would consent to lay the matter before you for your consideration, in the only tangible manner to them known, by proposing a By-Law for the redemption of said debentures on the basis proposed by said Agent for which see By-Law No. 216, posted in various public places in this Township.

"Many and contradictory reports being in circulation, it may be well for us to state that it has been fully established that said By-Law was passed by the then Council at a time when no provision was made in law for submitting the same for the popular vote, consequently this By-Law was never voted against. It further appears that subsequently a By-Law was submitted for your approval or disapproval, which was negatived, and the debentures sought to be issued were afterwards given up.

"By examination of the books of the road company, we find that the said company actually expended over and above the proceeds of the debentures the sum of \$6436.10, and that the contractors lost largely on their contracts.— Having submitted the Petition and By-Law to counsel for a legal opinion, we have been advised that there is every probability that the amount will eventually be collected from this Township.

"Under the proposed By-Law \$16,000 are to be paid in eight years, requiring a rate of five and two-seventh mills in the dollar for the first year, naturally growing less as the amount is paid off.

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"Should Parliament legalize the old By-Law, the sum of \$12,000 would immediately become due with the interest on \$16,000 for 10 years, amounting to \$9,600, making the sum of \$21,600, to raise which a rate of nearly 4 cents in the dollar would be required, leaving \$4,000 to be paid within the next two years, with interest amounting to \$240, making the whole sum \$25,840. This large amount is well worth your best consideration and investigation, and if the probabilities are in favor of the old By-Law being legalised, the sum to be saved and the inconvenience of a forced collection, are matters of very grave importance, the moral obligation we leave with yourselves to decide.

"We would therefore most earnestly urge upon every ratepayer in this Municipality the necessity of fully informing himself of the whole facts in the case, as far as possible, and attend at the various polling places hereunder indicated, on Wednesday, the 28th December, 1864, and there record his vote, as in his calm and reasonable judgment may seem best."

"We are, Gentlemen, your most ob't serv'ts,

"T. W. DOBBIE, Reeve,

"H. STRATTON, Deputy Reeve,

"ALEX. McBRIDE,

"DANIEL ROW.

"D. C. SWAYSE, Clerk.

"Council Room, Bayham, Dec. 20th, 1864."

Before the polling day mentioned in the statement, the debenture-holders having consulted counsel were advised that the proposed By-Law would not alter their position, inasmuch as the Council had no power to pass such a By-Law, which even if confirmed by the people would be illegal. They were further advised to inform the ratepayers of this fact, so that the friends of the measure need not be put to the trouble of voting on it. This advice was followed, and notices placed in conspicuous parts of the

several wards of the Township, letters were also addressed to the Reeve and Township Council protesting against the vote being as unfair to those most deeply interested in the debentures. The Council, however, persisted in going on, and the debenture-holders were advised to do nothing either for or against the By-Law, consequently no efforts having been made to bring voters to the polls the By-Law was negatived by the people.

At the last Session of Parliament a Bill was introduced to legalize the debentures, but owing to the agents of the holders being taken by surprise, and not prepared with evidence to rebut the statements made on behalf of the Township, the Bill was reported against by the Private Bills Committee. It having been urged on the part of the opposers of the Bill, that the question of the Township taking stock in the road had been previously to the passage of By-Law No. 116 submitted to the people and voted against by a very large majority; that most of the Council being personally interested in the road had passed the By-Law contrary to the wishes of the people; that the then Deputy Reeve was a large contractor and President of the Company; that the road was little travelled, and was run so as to benefit three of the Councillors; that the By-Law was passed clandestinely, and that Mr. Hatch, the Township Clerk, was threatened with dismissal from office unless he kept secret the proposed By-Law. It was further alleged that the Petitioners had knowledge of these facts, and purchased the debentures at their risk. That these allegations are utterly false will appear by the following affidavits.

A reference to the map of the Township of Bayham will at once show the great importance of the contemplated road to that portion of the country. There is a good and paying plank road running from Ingersoll to the Northern boundary of the Township, and it was proposed and intended to meet this road, and continue it, as it were, by the operations of the Bayham, Richmond and Port Burwell

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Road Company, through to Port Burwell; thus opening up a market to a large number of the inhabitants both in Bayham and Malahide, who, but for what has been done by the company, would be for a considerable portion of the year cut off from a market. The route of the road passed through one of the most fertile parts of Western Canada; but the old Township roads were, as will be seen on reference to the accompanying affidavits, almost impassable for teams, and at the present time, *after eleven years* from its partial construction, the road has been rendered so much better that loaded teams can with ease be driven on it where formerly unloaded teams could scarcely pass. The road lasted in good condition eight years, and even where there was no plank or gravel a great amount of benefit has accrued to the Township from the grading done by the company on the heavy hills. During this period of eight years very little (if any) statute labor was required to be done on the road, but the labor which would necessarily have been done on its route was expended on other roads in the Township. The bridges built by the company have also been a great benefit and saving to the Township.

The position assumed and capable of being satisfactorily demonstrated by the holders praying for the Act to legalize the By-Law No. 116, and the debentures under it, is, that the By-Law was passed and the debentures issued under it were issued, negotiated and purchased in good faith, in the belief that everything was regular and legal, without any suspicion or cause of suspicion that the said By-Law or the debentures were in any way effected with illegality, and that full value was paid for the debentures. It is submitted that if the above propositions are true, it is wholly immaterial so far as the present Petitioners are concerned whether or not the company were duly and technically incorporated, or did or did not properly expend their money in building the road, or whether or not the road would have been any advantage to the Township; but besides this they are prepared, if necessary, to prove that

there was no meeting of the people held prior to the purchase of said debentures to condemn their issue, or any reason to believe that they were issued contrary to the wish of any considerable number of the ratepayers of this Township; that the company have properly expended in the construction of the road all the moneys which came into their hands, and that the road has been of great value and advantage to the Township.

Attention is particularly requested to the affidavit No. 1 of MRS. SUSANNAH EDISON. Her position is exceedingly hard, and is one that calls loudly for the equitable interference of Parliament, as unless she receives that relief to which in justice and equity she submits she is entitled, she will be reduced to beggary, and the provident intentions of her deceased husband made totally unavailing. A refusal of relief will be utterly ruinous to her, and scarcely less so to the other petitioners, who have acquired by frugality and industry some small means most of which they have invested in these debentures, thinking that they could have no better security than the honor and faith of a Canadian municipality. The character of these Petitioners precludes the idea that they had the least suspicion of any illegality or informality in the debentures or the By-Law under which they were issued; and to defraud them of their rights on account of partly technical objections would be, it is submitted, grossly unjust and contrary to conscience and good faith.

The following affidavits are from some of the most respectable and responsible ratepayers of the Township acquainted with all the facts of the case. A much larger number of affidavits might have been procured if thought necessary from other leading men in the Township to the same effect as those now produced. Several portions may

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appear to be irrelevant, but are inserted to contradict the gross misstatements made before the Private Bills Committee last Session of Parliament on behalf of those opposing the passage of the Bill.—

AFFIDAVIT No. 1.

County of Elgin, } I, SUSANNAH EDISON, of the Township of Bay-
To-Wit: } ham, in the County of Elgin, Widow, make
oath and say :

1st. That I am now and have been for the last fifty years a resident of the said Township of Bayham, and am the widow of Enos Edison, who resided in said Township for over forty years, and who died on or about the Twenty-second day of March, one thousand, eight hundred and fifty-five.

2nd. That the said Enos Edison purchased in the month of July, in the year one thousand, eight hundred and fifty-four, Debentures numbers four, five, six, seven and eight, issued under and by authority of By-Law number one hundred and sixteen, of said Township of Bayham, from one John A. McCollum, then being President of the Bayham, Richmond and Port Burwell Road Company, and paid him therefor the sum of seven thousand and five hundred dollars of lawful money of Canada, in cash.

3rd. I am satisfied that said By-Law was passed and said debentures were issued, negotiated and purchased, in good faith, and without any knowledge or suspicion that said By-Law or said debentures were in any manner whatsoever illegal, informal or defective. The character of my said husband for carefulness in matters of business and caution in investing his money is so well known to me, that I am positive that if he had had any suspicion or knowledge, or cause of suspicion, that said debentures did not form a perfectly legal and safe investment, he would have utterly refused to purchase the same on any terms whatsoever.

4th. The said Enos Edison made and published his last will and testament in writing, whereby, after some small devises to his son Thomas Edison, he did bequeath to his said son the sum of ten thousand dollars, to be paid to him on his attaining the age of twenty-five years, and the interest thereon to be paid him yearly after he should attain the age of twenty-one years, and did give and bequeath to me the residue of his property.

5th. That the said Thomas Edison is now of the age of twenty-six years, and has required of me to pay to him his said legacy.

6th. That unless the said debentures so purchased by my husband, and which I now held by virtue of said bequest, be legalized by an Act of the Parliament of this Province, or be otherwise secured or paid to me,

I shall be utterly unable to pay said legacy to said Thomas Edison, and if I were to sell all the property possessed by me I could not pay one-half of the said legacy; but would be deficient in the payment thereof to the amount of about six thousand dollars.

7th. I know well the route of the road of said Company, and consider that the said road is and was a very great and material benefit to this Township, as, by means of the said Company's operations, travelling on said road has become very greatly facilitated—the heavy grading done on the route, and access to market opened up for the western section of the Township. I know that before the said Company commenced their work many parts of said road which can now be travelled with ease were almost impassable during some seasons of the year.

8th. By far the larger portion of said road was planked and gravelled by said Company, and lasted in good condition for about eight years.

9th. I never heard previous to an attempt made lately to have said debentures legalized by an Act of Parliament, any person or persons assert or pretend that before said debentures were issued or purchased as aforesaid, any meeting of the people or ratepayers of this Township had ever been called or held to express any opinion with reference to said By-Law, or as to said Township taking stock in or in any manner becoming stockholders in said Company, or assisting said Company in any way whatsoever, and I am positive that no such meeting was held.

10th. That shortly after the death of my said husband, I received from the then Treasurer of said Township, one William Veitch, the sum of three hundred dollars, as payment of certain coupons attached to said debentures; but the Council of said Township have since refused to pay me any further sum on account of said debentures or coupons, on the ground that the same were and are illegal.

11th. That more than a year from the purchase of said debentures by my said husband had elapsed before I ever heard any person or persons say that said By-Law or debentures were in any respect illegal, informal or defective.

[Signed] SUSANNAH EDISON.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Thirteenth day of May, A.D. 1865.

[Signed] JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench in and for the County of Elgin.

AFFIDAVIT No. 2.

County of Elgin, }
To-Wit: }

I, ANTHONY SCEALEY, of the Township of Bayham, in the County of Elgin, Yeoman, make oath and say:

1st. That I am now and have been for the last nine years a resident of the said Township of Bayham.

2d. That I am the holder of debenture number three issued under and by authority of By-Law No. 116 of the said Township of Bayham.

3rd. That I purchased said debenture on or about the Third day of January, A.D. 1855, from one John McCollum, who was the Secretary and Treasurer of the Bayham, Richmond and Port Burwell Road Company.

4th. That the said debenture had remained, as I am informed and verily believe, with the said municipality until after the first day of January, 1855, when the first of the coupons attached thereto had become due, whereupon the said municipality had removed the said first coupon from said debenture.

5th. That the said municipality, after I had obtained said debenture, paid me the sum of \$40, being part of the interest due on the second coupon attached to said debenture.

6th. That before I purchased said debenture I was informed by said McCollum that it was perfectly legal and valid, and I believed said assertion of said McCollum, and I do most solemnly swear that I took and purchased said debenture in perfect good faith, without any knowledge or suspicion, or any cause of knowledge or suspicion, that the said debenture or By-Law was in any way whatsoever informal or illegal, or affected by any informality or illegality whatsoever. If I had had the slightest suspicion that said debenture was not in every way perfectly binding upon said municipality, and that my purchasing the same was a perfectly safe investment for my money, I would have utterly refused to purchase the same; but believing the said debenture to be perfectly good and legal, I purchased the same, and paid therefor the sum of over four hundred pounds.

7th. I most solemnly swear that before I so purchased said debenture I neither asked nor received in any way any legal advice from any person or person whomsoever. I considered such advice unnecessary, as I had not the slightest suspicion that there was any illegality in said debenture, but firmly believed the same to have been legally and properly issued by said Council.

8th. I most positively and solemnly swear that I never heard until long after I so purchased said debenture, that any meeting of the people of this Township had ever been called or held to express any opinion in reference to the said Township lending money to or issuing debentures to the said Road Company, or in reference to the said Township taking stock or becoming stockholders therein, or in reference to assisting said Company in any way whatsoever. If any such meeting had ever taken place I am certain that I would have heard of it, and in that event, if the opinion of such meeting had been against so assisting the said Company in any such way as aforesaid, I would not have purchased said debenture.

9th. I have always believed, and still do believe, that the debentures issued under said By-Law were so issued, negotiated and purchased in good faith, and without any suspicion or knowledge, or cause of suspicion or knowledge, that the same were in any manner whatsoever illegal, defective, informal, or contrary to the wish of the people of this Township.

10th. Unless the said debentures be legalized I shall suffer great pecuniary loss, and sustain most unjustly a very serious injury.

11th. I am well acquainted with the route of said road. It was intended to form a continuation of the plank road running from Ingersoll. It is much travelled, and the work which the said Company did thereon was and is a great and material benefit to this Township. A great part of the road was gravelled and planked, and the heavy grading done on the remainder by said Company. I think that about twelve and a-half miles of the road were fully completed, gravelled and planked; the whole length of the said road being about sixteen miles.

12th. I remember that before the said Company commenced working on said road a large part was almost impassable at some times of the year; by the operation of the Company these places were very greatly improved, so that waggons with loads could at any time be drawn with ease.

13th. The portion of the road which was finished lasted in good condition for a period of about eight years, during which time very little (if any) statute labor was necessary on it; thus a greater amount of statute labor could be and was done on other roads in the Township.

14th. In the year 1855, after the Company had expended all their funds, they applied to said Council for a further loan of £4,000, and a By-Law was introduced to grant said additional sum. On being submitted to the people for their approval the vote was in favor of its passage by a small majority, and it was finally passed by the Council, who issued the requisite number of debentures thereon for the said loan; but it having been shortly afterwards discovered that the said By-Law was affected by some technical irregularity in the advertising thereof, it was repealed and the debentures issued under it were recalled. A second By-Law to grant said additional sum was soon afterwards submitted to the people for their approval, and was by them rejected by a small majority.

15th. I am positive that the meetings referred to in the last preceding paragraph of this affidavit were the only meetings of the people called or held with reference to the said Township either taking stock in or lending money or debentures to or in any other way assisting said Company.

16th. That at the time I so purchased said debenture as aforesaid, I

resided in the Township of Malahide, in the County aforesaid, adjoining said Township of Bayham.

[Signed] ANTHONY SCEALEY.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Twelfth day of May, A.D. 1865.

[Signer] JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench, in and for the County of Elgin.

AFFIDAVIT No. 3.

County of Elgin, } I, SAMUEL HAIGHT, of the Township of Yar-
To-Wit: } mouth, in the County of Elgin, Esquire, being
one of the people called Quakers, affirm and say
as follows:

1st. That the taking of an oath is in my opinion unlawful.

2nd. I am now and have been for the last forty-four years a resident of the said Township of Yarmouth.

3rd. I am the holder of debenture number two, issued under and by authority of By-Law number one hundred and sixteen, of the corporation of the Township of Bayham, in the said County of Elgin.

4th. I purchased said debenture in the month of December, in the year of our Lord one thousand, eight hundred and fifty-four, and paid therefor very nearly the sum of four hundred and fifty pounds of lawful money of Canada.

5th. That before I purchased said debenture I was credibly informed and did verily believe that it was in all respects perfectly legal and valid, and that the security for the payment thereof was of the best kind.

6th. That I most solemnly affirm that I purchased said debenture in perfect good faith, and without any knowledge, or suspicion, or any reason to believe that the said By-Law or the said debenture were in any way whatsoever illegal, informal or defective. If I had had the slightest suspicion that there was any illegality, informality or defect connected therewith, I would have utterly refused to purchase the same.

7th. In taking said debenture I verily believed that I was investing my said money safely, properly, and legally.

8th. I did not consult any person with reference to said investment, as not more than half an hour elapsed between the time that I was asked to purchase or had any idea of purchasing the same and the time that I did purchase the same, and I did not think that any advice was necessary as I had not the least suspicion that there was any doubt about the legality of said debenture, but I firmly believed that the same was in every respect correct and legally and properly issued by said Council of Bayham.

9th. That if any meeting of the people of said Township of Bayham was ever called or held before the issue of said debenture to express their approval or disapproval of said By-Law, or as to the propriety of said Township taking stock, or in any way taking stock or becoming stockholders in said Company, or lending said Company money or assisting them in any way whatsoever, I never heard of such meeting until long after I purchased said debenture, and I am credibly informed and do verily believe that no such meeting was ever held or called.

10th. If I had had any knowledge or suspicion that said By-Law was passed or said debenture issued contrary to the wish of any portion of the ratepayers of said Township of Bayham I would not have purchased the same.

11th. Unless the amount of said debenture and interest be paid me I shall suffer a heavy loss and be unjustly put to great damages.

12th. That fully eighteen months had elapsed from the time I so purchased said debenture as aforesaid, until the time when I first heard or had any knowledge or suspicion that there was any illegality, informality or defect in said By-Law or said debenture.

[Signed]

SAMUEL HAIGHT.

Solemnly affirmed before me, at the Township of Yarmouth, in the Co.
of Elgin, this Tenth day of May, A.D. 1865.

[Signed]

J. A. EAKINS.

A Commissioner for taking affidavits in the Queen's Bench, in and for the County of Elgin.

AFFIDAVIT No. 4.

Mecosta County,
State of Michigan, one of the
United States of America,
To-Wit:

I, JAMES PETER WEAVER, formerly of the Township of Bayham, in the County of Elgin, and Province of Canada, at present of the Mecosta County, in the State of Michigan, Esquire, make oath and say:

one of the United States of America, Esquire, make oath and say:

2nd. That during the aforesaid year a By-Law was passed by the Council of said Township to loan the Bayham, Richmond and Port Burwell Road Company the sum of four thousand pounds, and that said By-Law was numbered one hundred and sixteen, and that at first I was opposed to the making of said loan and to the passage of said By-Law.

3rd. That the said By-Law at its various stages and at its final passage was openly discussed like all the other business of the Council; that there was no secrecy or attempt at secrecy in connection with this By-

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Law either before or at the time of its final passage, but that every matter connected with it was fairly and openly done; that I never heard of secrecy in reference to this By-Law enjoined upon Mr. Hatch, the then Clerk of the Council, or upon any other person or persons whomsoever; neither do I believe that Mr. Hatch ever was threatened with dismissal (as has been reported,) unless he did keep secret all or any matters connected with the said By-Law; if secrecy had been enjoined upon Mr. Hatch, or had he been threatened with dismissal by the Council or any member of it, unless he assented to secrecy, it would have been almost impossible to have kept me in ignorance of these facts, intimate as I was with Mr. Hatch, and occupying as I did the position of Reeve of the Township when the By-Law was discussed and passed, and I am most positive that I never heard Mr. Hatch enjoined to secrecy or threatened with dismissal in the event of his non-compliance therewith.

4th. That debentures to the amount of four thousand pounds were issued under the said By-Law, and handed over to the Bayham, Richmond and Port Burwell Road Company, and that the said debentures were sold by the said Road Company.

5th. That I believe all the said debentures were purchased in good faith and for valuable consideration, and I am convinced from an intimate knowledge and acquaintance of the parties who made the purchases that if they had either suspected or had the slightest cause for suspicion that the said By-Law one hundred and sixteen, or the debentures issued under it, were illegal or informal in any respect, they never would have become the purchasers of the said debentures.

6th. That I am positive that previous to the passing of said By-Law number one hundred and sixteen, and the issuing of the debentures under it, no meeting of the people of the Township was either called or held for the purpose of expressing an opinion in reference to the said By-Law, or in reference to the Township taking stock, or in any way becoming stockholders in the Bayham, Richmond and Port Burwell Road Company.

7th. That as the By-Law was prepared by John Burwell, of Port Burwell, in said County, a gentleman who was supposed to be able to draw it correctly, I am fully convinced and firmly believe that at the time of its passage, and of the issuing of the debentures under it, the Council were fully satisfied that both the By-Law and the debentures were perfectly legal.

8th. That the members of the Council in passing the By-Law were convinced that the road if completed would be a very great boon to the inhabitants of the locality through which it passed and be advantageous to the Township generally.

9th. That in the year 1855, to enable the Company to complete the road, application was made to the Township Council for a second loan of four thousand pounds.

10th. That in response to this second application, a By-Law was passed by the Council, submitted to the people, approved by a small majority, and finally passed by the Council, and debentures to the amount of four thousand pounds issued under it and offered for sale.

11th. That subsequent to the passage of the By-Law granting the second loan an informality in the advertisement of the By-Law was discovered which made it illegal.

12th. That after this illegality in the second By-Law was discovered, a By-Law was enacted by the Council for its repeal, and the debentures which had been issued under it were recalled.

13th. That a second By-Law authorising the loan of the additional four thousand pounds was then passed by the Council, submitted to the people, and negatived by them by a small majority.

14th. That I am certain that the two public meetings before referred to are the only meetings of the people at which a vote was taken or a decision come to in reference to taking stock, loaning money, giving debentures or in any other way assisting the Bayham, Richmond, and Port Burwell Road Company.

[Signed] J. P. WEAVER.

Sworn before me at the Village of Big Rapids, in the County of Mecosta, in the State of Michigan, this Fifth day of July, A.D. 1865.

[Signed] C. C. FULLER,

[L.S.]

Judge of Probate for Mecosta Co., Michigan, U.S., and Circuit Court Commissioner for said County.

AFFIDAVIT No. 5.

County of Elgin, } I, ANDREW OSTRANDER, of the Township of Bay-
To-Wit: } ham, in the County of Elgin, Esquire, make oath
and say:

1st. That I am now and have been for the last forty years a resident of the Township of Bayham.

2nd. That I was a member of the Council of said Township in the years 1853 and 1854.

3rd. That I am positive that previous to the issue of debentures under By-Law number 116, of said Township of Bayham, no meeting of the people of said Township was either called or held to express any opinion with reference to the said By-Law or with reference to the said Township taking stock or in any way becoming stockholders in the Bayham, Richmond and Port Burwell Road Company.

4th. That before said By-Law was passed it was discussed at three different sessions of said Council openly, and to the best of my knowledge and belief without any intention or thought on the part of any member

of the said Council of keeping the said By-Law secret or unknown to any person or persons whomsoever, and I distinctly recollect that during the said several times the said By-Law was being discussed in Council a number of persons were present together with the members of the Council.

5th. That I was at first opposed to the passage of said By-Law until I was convinced that the said road would be a benefit to the Township.

6th. That the said By-Law was finally passed by the said Council in the ordinary way, and not in any way secretly or clandestinely, and I am perfectly satisfied and verily believe that the Council thought that the said By-Law was in every respect perfectly legal, and that the said debentures were issued in good faith.

7th I further verily believe that the said debentures were negotiated and purchased in perfect good faith, and without any suspicion or knowledge that the said By-Law or the said debentures were in any way effected by informality or illegality.

8th. I think that more than a year had passed after the negotiating and purchase of said debentures that any question arose as to their legality and until such question arose I never heard any person or persons express any objection to the said By-Law or to the payment of said debentures out of the funds of said Township.

9th. The said Company had commenced their operations before said By-Law was passed, and they afterwards proceeded to gravel and plank by far the greatest portion of the road, and completed the heavy grading on the remaining part. In my opinion the work done by said Company on the road was and still is a great and material benefit to the Township. It is a road much travelled, and before the said Company commenced their operations a large portion of it was almost impassable for teams without loads, but after the said Company commenced the same portion could be travelled with comparative ease even with loaded teams; and also by means of the said road a large number of the inhabitants of the western part of the said Township have access to a market which otherwise they could not have reached during a great part of each year.

10th. The portion of the road which was planked and gravelled lasted in good condition for about eight years, and during that time required very little (if any) statute labor to be done on it.

11th. I am satisfied that in passing said By-Law the said Council was not influenced by any desire to enhance or increase the value of the property of any member or members of the said Council, but I believe the same was passed on account of the benefit which the said road would be to the inhabitants of the Township generally.

12th. If the said road were completed it would join the plank and gravel road running from Ingersoll to the Northern boundary of the said Township, and would on that account greatly increase the travel and business on both roads.

13th. In the year 1855 a second loan of £4,000 was asked of the Council by the said Company, and a By-Law to grant the same was read and submitted to the people, who approved thereof by a small majority, and it was subsequently passed by the said Council, and debentures issued thereon. I am informed and verily believe that some informality was discovered in this second By-Law, which was accordingly repealed, and the debentures issued under it were recalled. A second By-Law to the same effect was shortly afterwards submitted to the people, who rejected the same by a small majority.

14th. I am certain that these two meetings of the people mentioned in the last preceding paragraph of this affidavit were all the meetings of the people of this Township held to express any opinion or to give any vote either as to taking stock in said road Company, or lending money to the same, or giving them any debentures, or assisting them in any way whatsoever.

15th. I was present during the whole time that the said By-Law number 116 was being discussed in Council, and I know that no threat was made to Mr. Hatch, the then Clerk of the said Council, that if he interfered with the action of the said Council he would lose his said situation as Clerk, nor was any threat of a like nature or the same effect ever made to him to the best of my belief.

16th. To the best of my knowledge and belief the persons now holding the debentures issued under said By-Law number 116 purchased the same in perfect good faith, and without any suspicion or cause of suspicion that the said By-Law or debentures were in any way illegal or informal. This statement I make from my intimate knowledge of the parties concerned.

17th. I have every reason to believe, and I do verily believe that all the moneys which came into the hands of the officers of said Company on account of the same were properly and legitimately expended on the said road.

[Signed]

ANDREW OSTRANDER.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Eight day of May, A.D. 1865.

[Signed]

JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench in and for the County of Elgin.

AFFIDAVIT No. 6.

County of Elgin,
To-wit:

I, LYNDES McCURDY, of the Township of Bayham, in the County of Elgin, Esquire, make oath and say:

1st. That I am now and have been for about the last thirty years a resident of the said Township of Bayham, and was a member of the Council of said Township in the year 1854.

2nd. I am positive that neither previous to nor after the passing of By-Law number 116 of said Township, and the issuing, negotiating and purchase of the debentures issued by virtue thereof, no meeting of the people of said Township was called or held to express any approval or disapproval of said By-Law or debentures, or to express any opinion with reference to the said Township taking stock or in any way becoming stockholders in or lending money to the said Bayham, Richmond and Port Burwell Road Company, except as hereinafter stated.

3rd. From the interest I then took and the knowledge I then possessed of the Municipal affairs and transaction of said Township, I am perfectly certain that if any such meeting or meetings had been held I would almost necessarily have known of and attended the same.

4th. Said By-Law was drafted and drawn up by John Burwell, Esquire, of Port Burwell, whom the said Council considered perfectly capable of drawing the same legally and properly, and in passing the same I am certain that said Council thought they were acting properly and legally, and that said By-Law was not affected with any illegality or informality.

5th. I am positive that said By-Law was passed in good faith, and was not passed for the purpose of enhancing or increasing the value of the property of any of the members of said Council, or to benefit them or any of them pecuniarily or otherwise, but from a conviction and belief that the road proposed to be built by said Company would be a material benefit to said Township.

6th. The debentures issued under said By-Law were issued, negotiated and purchased in good faith, and under the belief that the same were in all respects legal, and so far as I know more than a year had elapsed from the time that the same were negotiated and purchased before any person or persons raised any doubts as to their legality or expressed any objections to their having been issued.

7th. The said Company had before the said debentures were negotiated commenced operations, and they proceeded to plank and gravel the greater part of the said road. In my opinion at least two-thirds of said road were fully completed, and the heavy grading done on the remainder of the road.

8th. In my opinion the said road was and is a great and material benefit to this Township, and would if it had been completed paid good dividends to the stockholders therein. It is much travelled and was intended to have joined the plank road running from Ingersoll to the northern limit of this Township. It is much travelled, and were it not for what the said Company has done a great part of it would be almost impassable for loaded teams.

9th. The route of the said road is in my opinion the best in this Township, and was as I am informed and verily believe so considered by John Fraser, the Engineer, by whom the same was surveyed.

10th. The planked and gravelled part of the road lasted in good con-

dition for about eight years. The statute labor which would have been done on the same was expended on other roads in this Township.

11th. The persons who bought the said debentures did not to the best of my knowledge and belief think or suspect that there was anything defective, informal or illegal in said debentures, or that they had been issued contrary to the wish of any person in this Township.

12th. To the best of my knowledge and belief Ambrose Wilson, the then Deputy Reeve, had no contract for building said road or any part thereof.

13th. In the year 1855, after the said Company had exhausted the funds in their hands, they applied to the said Council for a further loan of £4,000. A By-Law to grant this loan was introduced into the said Council, and a meeting of the people was called to express their opinion on the same, and the people approved of the same by a majority of one or two, so far as I recollect, and the By-Law was accordingly passed by the Council and debentures issued thereunder; but as some informality was subsequently discovered in the said By-Law, the same was repealed, and the debentures issued thereunder were recalled. A second By-Law to grant said loan was shortly afterwards submitted to the people, who negatived the same by a small majority.

14th. I am positive that the two meetings mentioned in the last preceding paragraph of this affidavit were all the meetings held in reference to said Township lending money to the said Company.

15th. The said By-Law number 116 was passed in open Council in the usual way, not hurriedly or clandestinely, and as I have good reason to believe and verily do believe without any desire on the part of the members of the said Council, or any or either of them, to conceal the same or any proceedings connected therewith from any person or persons whomsoever.

16th. That I never heard any person or persons make use of any threat towards Mr. Hatch, the then Clerk of said Council, in reference to said By-Law, and I verily believe that no such threat was ever made.

17th. To the best of my recollection and belief the said By-Law number one hundred and sixteen was publicly discussed several times in Council before the same was passed.

[Signed]

LYNDES McCURDY.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Twelfth day of May, A.D. 1865.

[Signed]

JACOB S. JONES,

A Commission for taking affidavits in the Queen's Bench in and for the County of Elgin.

AFFIDAVIT No. 7.

County of Elgin, }
To-Wit: }

I, WILLIAM VEITCH, of the Township of Bayham, in the County of Elgin, Esquire, make oath and say:

1st. I am now and have been for the last thirty-three years a resident of the Township of Bayham. I was Treasurer of the said Township from the year 1850 until the year 1856, and was also Treasurer of said Township for two other years afterwards, when I resigned said office.— During the time I was so Treasurer, I was well acquainted with the municipal affairs of said Township, and took an active interest in the same.

2nd. I am well acquainted with the road of the Richmond, Bayham and Port Burwell Road Company, and consider that the same was and still is a great benefit and advantage to the said Township, and would have been if fully completed of still greater benefit, as it was intended to have been connected with the plank road running from Ingersoll. By means of the said Road Company many portions of said Township were opened up and had access to market at seasons when otherwise the roads would have been almost impassable.

3rd. From my intimate knowledge of all the parties concerned, I have good reason to believe and do verily believe that By-Law number 116 of said Township of Bayham was passed in good faith and in open Council without any desire to keep the passage thereof secret from any person or persons whomsoever, and that there was nothing secret or clandestine in its passage.

4th. I also fully believe that the debentures issued under said By-Law were issued, negotiated and purchased in perfect good faith, and without any knowledge or suspicion or cause of suspicion that the same were in any way affected with illegality or informality, or that the same had been issued contrary to the wish of any person or persons whomsoever.

5th. I am positive that previous to the passing of said By-Law and the issuing, negotiating and purchase of said debentures, no meeting of the people of this Township was ever called or held to express any approval or disapproval of the said By-Law, or to express any opinion as to said Township taking stock or in any way becoming stockholders in said Company. If any such meeting had been called or held I am certain that I would have known of it.

6th. The first time that I heard that any such meeting as is mentioned in the last preceding paragraph of this affidavit was ever held was a few months ago, and since an attempt has been made to have said debentures legalized by an Act of Parliament, and until within the last few months I never heard any person assert or pretend that such a meeting had been held.

7th. Before said debentures were issued the said Company had com-

menced their operations, and with the proceeds of the same and some other moneys paid by stockholders they continued and fully completed planked and gravelled about twelve and a-half miles of the said road, and finished the heavy grading on the remainder of said road, which was about three and a-half miles. The said road was and is of essential and great benefit not only to those who actually use the same, but also to the said Township in general.

8th. In the year 1855, after the said Company had expended all their funds in the construction of said road, they made an application to said Council for a further loan of £4,000, which I believe the Council were willing to grant, and a By-Law to that effect was introduced, and submitted to the people for their approval, and the same was approved of by a small majority; but as some informality in the advertising was subsequently discovered the said By-Law was repealed and the debentures issued under it were recalled. A second By-Law to a similar effect was soon afterwards submitted to the people and was negatived by a majority of about thirty.

9th. I am positive that the said two meetings called with reference to the second loan to the Company were all the meetings ever held with respect to assisting the said Company in any way whatsoever by the said Township.

10th. At the time that said debentures were issued under By-Law number 116, Ambrose Wilson was the Deputy Reeve, and I was well and fully acquainted with his business, and know that he was not a contractor for the building of any portion of the said road, and that he merely sold them plank from his mills at the then current market price, which was to the best of my recollection \$4 per thousand feet board measure, and other persons furnished planks to said Company at the same time and same price.

11th. As Treasurer of the said Township I paid the sum of \$340 on certain coupons of said debentures. I had previously received as Treasurer \$300 from the Treasurer of said Company on their mortgage which had been given to indemnify said Township for the issue of said debentures, but I have never been repaid the \$40 by the Township of Bayham or by any other person or persons whomsoever. I paid said moneys after the first coupons on said debentures came due.

12th. The portion of the road that was so finished as aforesaid lasted in good condition for about eight years, and was much used for travel. During the said eight years very little stature labor was required on the said road, but was expended on other roads in the Township. The work which said Company did greatly facilitates travel even at the present time.

(Signed)

WM. VEITCH.

Sworn before me, at the Township of Bayham, in the County of Elgin,
this Eighth day of May, A.D. 1865.

[Signed] JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's
Bench in and for the County of Elgin.

AFFIDAVIT No. 8.

County of Elgin, } I, JOHN HAMILTON JONES, of the Village of Straffordville, in the Township of Bayham, and County
To-Wit: } of Elgin, Esquire, make oath and say:

1st. That I am now and have been for the last fourteen years a resident of the said Township of Bayham. I was a member of the Council of said Township for about six years from the year 1857, and I was Reeve of said Township for three years and Warden of the County of Elgin for two years.

2nd. I have often heard the fact of the Council having advanced debentures to the Richmond, Bayham and Port Burwell Road Company discussed and spoken of at Township meetings and other meetings of the people, but I never heard until quite lately since an attempt has been made to have the debentures issued under By-Law number one hundred and sixteen of said Township legalized by Act of Parliament from any person or persons that any meeting of the people had been called or held to express any opinion as to the said Township taking stock in said Road or in any way becoming stockholders in the same.

3rd. I have no recollection of any such meeting having been called or held, and I do not believe that such meeting was ever called or held, nor do I believe that any meeting of the people was ever called or held to express their approval or disapproval of said By-Law number one hundred and sixteen.

4th. I am confident that the debentures were issued, negotiated and purchased by the present holders thereof in good faith, and without any suspicion or cause of suspicion that there was any defect or illegality in connection therewith.

[Signed] J. H. JONES.

Sworn before me, at the Village of Straffordville, in the County of Elgin,
this Eleventh day of May, A.D. 1865.

[Signed] JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's
Bench in and for the County of Elgin.

AFFIDAVIT No. 9.

County of Elgin, }
To-Wit: }

I, ALEXANDER MCBRIDE, of the Township of Bayham, in the County of Elgin, Merchant, make oath and say as follows:

- 1st. That I am now and have been for the last thirteen or fourteen years a resident and ratepayer of the Township of Bayham aforesaid, and was a member of the Municipal Council of said Township last year.
- 2nd. That I took a great interest in the Bayham, Richmond and Port Burwell Plank and Gravel Road Company both before the corporation of the said Township lent them money as hereinafter stated, and also afterwards.
- 3rd. That I was at all the meetings held by the people of said Township in reference to lending money to said Road Company, and am positive that previous to the loan by the municipal council of said Township to the said road company of four thousand pounds under the authority of By-Law number one hundred and sixteen, no meeting of the people was called or held to express any opinion as to the loan or otherwise; if such a meeting had been called or held I am positive that I would have heard of and attended it.
- 4th. The said Council issued their debentures under By-Law number one hundred and sixteen in good faith and believing that said By-Law was legal, and on the delivery of said debentures to said company by the said Council the said company made and executed a first mortgage on said road to secure the said Township repayment of said debentures; that said debentures were negotiated and sold soon after their issue, in the year one thousand, eight hundred and fifty-four, and long before any doubts were entertained of their legality. That the persons buying the debentures had no opportunity of knowing that they were issued contrary to the wish of any person, and that, so far as I know, no one had for at least a year after the said debentures were issued and negotiated raised any objections to their issue or had any doubts as to their legality.
- 5th. That the company both before and as soon as the debentures were negotiated, proceeded to grade the line of road and to gravel and plank large portions of it; that in fact the road was nearly completed; that about twelve miles and a-half of the road were fully completed, leaving only about three miles and a-half thereof unfinished, (the whole length of the road being about sixteen miles,) and the heavy grading of those three miles and a-half being finished.
- 6th. That in the year one thousand, eight hundred and fifty-five, after the funds at the disposal of the company were exhausted they applied to the said Council for a further loan of four thousand pounds, and a vote of the people was taken as to granting this second loan which resulted in favor of the loan by a majority of one; that the By-Law granting this

second loan was subsequently passed, and the debentures for said further sum of four thousand pounds were issued and handed over to the company; that before the negotiation of said debentures it was discovered that the By-Law had not been advertised for a sufficient length of time, and the debentures were accordingly given up; and that a second meeting of the people was called, which resulted in the defeat of the By-Law by a majority of about thirty.

7th. That I am positive that the above meetings were the only meetings that were held about any debentures granted to the said company.

8th. That at the time of issuing the debentures under By-Law number one hundred and sixteen, one Ambrose Wilson was Deputy Reeve of said Township; that said Ambrose Wilson had no contract with the company for the building of the road or any portion thereof, but merely sold them plank at a certain rate per thousand.

9th. That the said road is much travelled, and ever since its construction has been and now is of much benefit to the Township; the whole road was made better by the operations of the said company, and by means thereof the people are enabled to travel much better, and were it not for what has been done by the company it would at certain seasons of the year be almost impassable for loaded teams which can now be driven on the road.

10th. I consider the route of this road the best in this Township, and it was so considered by the Engineer employed by the company, John Fraser.

11th. A first mortgage on the road for the amount of the debentures so issued under the authority of By-Law number one hundred and sixteen as aforesaid was executed by the company, and delivered to the Council, and three hundred dollars of the coupons were paid by the Treasurer of the Township, which said money was paid by the company on their mortgage, and a further sum of forty dollars was paid on the coupons by the Treasurer of the Township, but the Council, after the By-Law was discovered to be illegal, refused to allow him this sum.

12th. The planked part of the road lasted in good condition for about eight years, as did also the gravelled part. Very little statute labor was during this time done on the road, but the labor which would have been expended there if no road had been built was expended on other roads.

13th. One William Hatch was Clerk of the Council when the first mentioned debentures were issued; he was opposed to the construction of the road, as were others living in the Eastern part of the Township, because it does not immediately benefit them; he was unwilling to perform his duty as Clerk as far as concerned the transactions relating to the road, such as drawing the mortgage, entering the resolutions respecting it, and so forth, and was told that if he did not attend to his duty as Clerk and obey the instructions of the Council, they would get another

Clerk, and this was all the threat made to him as he stated before the Council about the month of November last past.

14th. I am confident that the parties purchasing the debentures did so in good faith, and without any suspicion of their being in any way defective.

15th. I am positive that previous to the issue of debentures issued under By-Law number one hundred and sixteen, there was no meeting of the people or ratepayers of said Township called or held to express any opinion as to the said Township taking stock in said company, or in any way becoming stockholders therein, or assisting the same in any other manner whatsoever, and I never heard any person or persons allege that any such meeting was ever held until within the last few months.

[Signed]

ALEX. McBRIDE.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Eighteenth day of May, A.D. 1865.

[Signed]

W. A. GLOVER,

A Commissioner for taking affidavits in the Queen's Bench in and for the County of Elgin.

AFFIDAVIT No. 10.

County of Elgin, }
To-Wit: }

I, DAVID MERRILL, of the Township of Bayham, in the County of Elgin, Innkeeper, make oath and say as follows:

1st. That I was overseer of the Bayham, Richmond and Port Burwell Road, and managing director thereof during its construction, and have resided in the Township of Bayham for the last forty years.

2nd. Before the road was commenced the Bayham Council promised to loan to the road company money to finish the road if the company would raise four thousand pounds of stock; that this amount of stock was raised, and By-Law number one hundred and sixteen in consequence thereof passed; that it was passed in good faith, and the debentures issued under the authority of said By-Law handed over to the company for negotiation, without any doubt of their legality.

3rd. I am positive that no meeting of the people was called to give an expression of opinion on this By-Law. The road was opposed by some in the eastern section of the Township, because it would injure the road running through that part of the Township. The road built by the company is a continuation of a road built from Ingersoll to the limits of the Township of Bayham, and runs thence to Port Burwell.

4th. The debentures were negotiated shortly after their issue, and long before any doubts were entertained of their legality. The persons purchasing them had no opportunity of knowing that they were issued against the wish of any one.

5th. Before getting the debentures and afterwards the company gravelled and planked a large portion of the road; the road was in fact nearly completed—about twelve miles and a half of the road were fully completed, leaving only about three miles and a half thereof unfinished, (the whole length of the road being about sixteen miles,) and the heavy grading of those three miles and a half being finished.

6th. That the total amount of the contracts let out by the company was six thousand, two hundred and fifty pounds, and the total amount paid on these contracts by the company was four thousand, six hundred and ninety-four pounds; that the total amount received by the company from all sources was four thousand, four hundred and eighteen pounds, and the amount of work done on the contracts about six thousand pounds, and that from my position as Managing Director of the road I am positive that the above statements are correct.

7th. I know that all the money received by the Directors and considerably more was expended on the road.

8th. I sold two of the debentures myself, in the fall of the year one thousand, eight hundred and fifty-four, (one to Hubbard and one to Samuel Haight,) and sold them in good faith, and they purchased them in good faith, without any suspicion of their being in any way defective.

9th. That in the year one thousand, eight hundred and fifty-five, after the funds at the disposal of the company were exhausted, they applied to the said Council for a further loan of four thousand pounds, and a vote of the people was taken as to granting this second loan which resulted in favor of the loan by a small majority; that the By-Law granting this second loan was subsequently passed, and the debentures for said further sum of four thousand pounds were issued and handed over to the company; that before the negotiation of said debentures, it was discovered that the By-Law had not been advertised for a sufficient length of time, and the debentures were accordingly given up; and that a second meeting of the people was called, which resulted in the defeat of the By-Law by a majority of about thirty.

10th. That I am positive that the above meetings were the only meetings that were held about any debentures granted to the said company, and that no meetings was called or held as to the Township taking stock in the same.

11th. That at the time of issuing the debentures under By-Law number one hundred and sixteen, one Ambrose Wilson was Deputy Reeve of said Township; that said Ambrose Wilson had no contract with the company for the building of the road, or any portion thereof, but merely sold them plank at a certain rate per thousand.

12th. That the said road is much travelled, and ever since its construction has been and now is of much benefit to the Township; the whole road was made better by the operations of the said company and

by means thereof the people are enabled to travel much better, and were it not for what has been done by the company it would at certain seasons of the year be almost impassable for loaded teams which can now be driven on the road.

13th. I consider the route of this road the best in this Township, and it was so considered by the Engineer employed by the company, John Fraser.

14th. A first mortgage on the road for the amount of the debentures so issued under the authority of By-Law number one hundred and sixteen, as aforesaid, was executed by the company, and delivered to the Council, and three hundred dollars of the coupons were paid by the Treasurer of the Township, which said money was paid by the company on their mortgage, and a further sum of forty dollars was paid on the coupons by the Treasurer of the Township, but the Council after the By-Law was discovered to be illegal, refused to allow him this sum.

15th. The planked part of the road lasted in good condition for about 8 years, as did also the gravelled part. Very little statute labor was during this time done on the road, but the labor which would have been expended there if no road had been built was expended on other roads.

16th. I am confident that the parties purchasing the debentures did so in good faith, and without any suspicion of their being in any way defective.

17th. That until an attempt has been made lately to have said first mentioned debentures legalized by an Act of the Parliament of this Province, I never heard any person or persons assert or pretend that previous to the sale of said debentures to the persons now holding the same, any meeting of the people or ratepayers of this Township was called or held to express any opinion as to the said Township taking stock in or in any way becoming stockholders in said company or assisting the same in any way whatsoever, and I am positive that no such meeting was held or called.

[Signed]

DAVID MERRILL.

Sworn before me, at Port Burwell, in the County of Elgin, this Twelfth day of May, A.D. 1865.

[Signed]

JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench, in and for the County of Elgin.

AFFIDAVIT No. 11.

County of Elgin, }
To-Wit: }

I, GEORGE NONILL PROCUNIER, of the Township of Bayham, in the County of Elgin, Esquire, make oath and say:

1st. That I am now and have been for the last nineteen years a resident of the Township of Bayham, and for the last three years I have been a Justice of the Peace in and for said County of Elgin.

2nd. I am well acquainted with the facts relating to the issue of debentures by the Council of said Township under their By-Law number one hundred and sixteen, to the Bayham, Richmond and Port Burwell Road Company, and I believe that the said By-Law was passed and the said debentures issued, negotiated and purchased in good faith. The above facts I believe from my intimate acquaintance with the parties concerned therewith.

3rd. At least a year or more had elapsed after said debentures were issued before I ever heard any person or persons express any doubts as to the legality of said By Law, or raise any objections to the payment thereof out of the Township funds.

4th. I am quite positive that previous to the passing of said By-Law and the issuing and sale of said debentures, no meeting of the people was called or held to express any opinion as to the said By-Law, or as to the said Council taking stock or in any other way becoming stockholders in said company. If such meeting had been called or held I am certain that I would have known of the same.

5th. I am quite certain that the persons who purchased said debentures had no suspicion or cause of suspicion that said debentures were issued contrary to the wish of any person whomsoever, or that there was anything illegal, informal or defective in the same, and that they so purchased the same in good faith. From the character of the parties who purchased and hold said debentures I am certain that they entertained no doubt as to their perfect legality.

6th. The said company had commenced their operations before receiving said debentures from said Council, and with the proceeds of the same and other moneys paid by the stockholders, they proceeded to plank and gravel by far the greater portion of the road and to grade the remainder. In my opinion there were about twelve and a half miles of said road fully completed, gravelled and planked. The whole length of the proposed road was about sixteen miles.

7th. The road proposed to be built by said company forms a continuation of the plank road running from Ingersoll. It is much travelled, and the work which the said company has done was and is a great and material benefit to travellers and the Township in general.

8th. Before the said company commenced operations there were several portions of the said road which were for some seasons almost impassable for teams even with light loads, but after the company had worked, and before they ceased, these places were greatly improved, so that heavily loaded wagons can with much greater facility be drawn over the same.

9th. In my opinion the route of the road is the best that could have been selected in this Township.

10th. That portion of the road which was finished lasted in good condition for about eight years, and during that time required little (if any)

statute labor to be done on it, but the labor which it would have been necessary to do on the same was performed on other roads in the Township.

11th. I was present at all the meetings of the people held with reference to the said debentures, and am positive that no meeting of the people was held with respect to the passing of said By-Law or the issue of said debentures, or with respect to the said Township acquiring stock in or in any way becoming stockholders in said company previous to the sale of the said debentures, to the best of my recollection, knowledge and belief.

12th. In the year 1855, the funds of said company were all expended, and they applied to the said Council for a further loan of £4,000, a By-Law was accordingly introduced to grant this sum, and was submitted to the people for their approval. The vote resulted in favor of the By-Law by a small majority. The said By-Law was then finally passed and debentures were issued under it, but shortly afterwards an informality in the advertising of said By-Law was discovered, and it was repealed and the debentures issued under it were recalled. Soon afterwards a second By-Law to grant the said additional sum was introduced and submitted to the people, who negatived the same by a majority of about thirty.

13th. I am positive that the two meetings mentioned in the last preceding paragraph of this affidavit were all the meetings that were held with reference to lending said company money or assisting them in any way whatsoever.

14th. I also know that Ambrose Wilson, the then Deputy Reeve of said Township, had no contract for the building of the road, or any portion thereof, and had no contract of any sort with said company, except for the sale of plank from his mill, which said plank he so sold to said company at the then current market price.

[Signed]

GEO. N. PROCUNIER.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Ninth day of May, A.D. 1865.

[Signed]

JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench, in and for the County of Elgin.

AFFIDAVIT No. 12.

County of Elgin, }
To-Wit: }

I, ANDREW MOORE, of the Township of Bayham, in the County of Elgin, Esquire, make oath and say:

1st. That I am now and have been for the last thirty years a resident of the Township of Bayham, during fourteen years of which I have been a Justice of the Peace, and have resided for the last twenty-five years about two miles from the Village of Straffordville in said Township.

2nd. I am confident that previous to the issue of debentures by the Council of the Township of Bayham under their By-Law number 116, there was no meeting of the people called or held to express their opinion with regard to the passing of said By-Law or the issue of said debentures, or the loaning of money to the Bayham, Richmond and Port Burwell Road Company, or as to the said Township taking stock or in any way becoming stockholders of said company.

3rd. From my knowledge of all parties concerned I am satisfied that the said debentures were issued, negotiated and purchased in good faith, and without any knowledge or suspicion that the said debentures or the said By-Law had any illegality or defect in them.

4th. I never heard that any person or persons in this Township objected to the passing of said By-Law, or the issue of said debentures, or the repayment of the same from the funds of this Township until long after said debentures were issued, and even until long after the people were asked to express their approval or disapproval of a By-Law introduced in the year 1855 to loan said company a further sum of £4,000, and I never heard until an attempt was made lately to legalize said debentures by an Act of Parliament, of there ever having been a meeting of the people called or held previous to the passage of said By-Law number 116 to express any opinion as to said By-Law, or as to the said Township taking stock or in any way becoming stockholders in said company or assisting the same in any way whatsoever, and I have good reason to believe and do verily believe that no such meeting was ever held or called; I am certain that if such a meeting had ever been called or held I would almost necessarily have known it.

5th. I know the route of the said road, and I believe the said road to be a great and material benefit to this Township, and that it facilitates travel very much and is much used.

6th. In my opinion about twelve and a half miles of the road were completely finished, gravelled and planked, by the said company, and the heavy grading on the remaining portions was also done. The whole length of the road is about sixteen miles. At some seasons of the year large portions of the road were almost impassable for teams, but after the said company had commenced their operations the same portions of the road were greatly improved and rendered fit for travel, so that heavily loaded waggons could be drawn with much greater ease than formerly. — It also opened up a large part of the western section of this Township, and gave access to a market for the inhabitants residing there, which could not have been reached for a large portion of the year were it not for said road.

7th. The part of the road which was planked and gravelled lasted in good condition for about eight years, and during that time required little statute labor to be done on it, but the labor which it would otherwise have been necessary to expend on the road was done on other roads in this Township.

8th. In my opinion if the road had been finished, and the company had continued, the Township would have been very greatly benefited, and the said company would have paid good dividends on the stock, and the Township would have been saved the expense of building bridges and other works along the route of said road, and would have been able to expend more statute labor on other roads in this Township, and as from the fact that the said road if completed would have joined the plank road running from Ingersoll to the northern boundary of this Township, and would therefore have induced much travel and trade through and in said Township.

[Signed]

ANDREW MOORE.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Ninth day of May, A.D. 1865.

[Signed]

JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench, in and for the County of Elgin.

AFFIDAVIT No. 13.

County of Elgin, }
To-Wit: }

I, SILVESTER COOK, of the Township of Bayham, in the County of Elgin, Esquire, make oath and say:

1st. That I am now and have been for the last forty years a resident of the Township of Bayham, and was a member of the Council of said Township in the year 1855; I have taken a great interest in the Richmond, Bayham and Port Burwell Road Company, and am well acquainted with the circumstances connected with it.

2nd. I am positive that before the issue, negotiation and purchase of the said debentures issued under By-Law number 116 of said Council no meeting of the people of said Township was called or held to express any opinion as to the said By-Law, or as to the said Township taking stock or in any way becoming stockholders in said company; I am certain that if any such meeting had been called or held I would have known of it, and I would have attended the same.

3rd. I believe that the said By-Law was passed and the said debentures issued, negotiated and purchased in good faith, and without any knowledge or suspicion or cause of suspicion that the said By-Law was in any way defective, informal or illegal.

4th. To the best of my knowledge and belief the said debentures were negotiated and purchased in the year 1854, and it was at least a year after they were so purchased that any doubt arose as to their legality. I never heard any one express any doubt as to their perfect legality or object to their having been issued until long after they were purchased by the present holders thereof.

5th. Before said By-Law was passed the said company had commenced operations, and they continued to plank and gravel a large portion of the road; more than two-thirds of the road were fully completed, and the heavy grading done on the remainder thereof, and in doing so the funds of the said company were to the best of my knowledge and belief legitimately and properly expended.

6th. I am well acquainted with the road, and believe that it was and is a great and material benefit to this Township. The road intended and proposed to be built by the said company forms a continuation of the plank road running from Ingersoll to the northern boundary of this Township. It is much travelled, and by reason of the work which has been done by said company, travel on it has been much facilitated and increased, as before they commenced their operations there were several portions of it almost impassable for loaded teams at certain seasons of the year, but now these places have been rendered much better.

7th. In my opinion the route of the said road was the best that could have been selected, and the planked and gravelled portion lasted in good condition for about eight years, requiring very little (if any) statute labor to be done on it, but the labor which would have been done on it was expended on other roads in this Township.

8th. In 1855 all the funds of the said company were exhausted, and a further loan of £4,000 was asked of said Council for the purpose of completing said road. A By-Law to grant the said sum was introduced and submitted to the people for their approval, and the result was a majority of about one in favor of the By-Law. It was then finally passed, and under it debentures were issued, and I think handed over to the said company; but it having been discovered that the said By-Law was in some way informal, it was repealed and the debentures issued under it were recalled. A similar By-Law was then submitted to the people, and was negatived by a majority of about thirty. I am positive that these two meetings were the only meetings called or held to express any opinion as to loaning said company any money or assisting them in any way whatsoever either by taking stock or otherwise.

9th. I have no doubt that the several persons now holding said debentures acted in good faith in purchasing the same.

[Signed]

SILVESTER COOK.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Eighth day of May, A.D. 1865.

[Signed]

JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench in and for the County of Elgin.

AFFIDAVIT No. 14.

County of Elgin, }
To-Wit :

I, BENJAMIN SPENCER MCCOLLOM, of the Township of Bayham, in the County of Elgin, Esquire, make oath and say :

1st. That I am now and have been for the last eleven years a resident of the Township of Bayham aforesaid.

2nd. I am well acquainted with the route of the road commenced by the Richmond, Bayham and Port Burwell Road Company; I consider it the best route in the Township, and consider that said road was and still is of great and material benefit to this Township.

3rd. By far the greater portion of said road was finished, planked or gravelled by said company, and the heavy grading done on the remainder. By means of what was so done by said company a market was opened up for many in the western part of this Township which they could not have reached for a great portion of the year. It is a road much travelled, and would, if it had been finished, have joined the plank road running from Ingersoll to the northern boundary of this Township, and would thereby have greatly facilitated travel.

4th. The planked and gravelled portion of the road lasted in good condition for about eight years, requiring during that time very little statute labor to be done on it. Even in its present state the work which the said company did renders travelling much easier than it was before they commenced operations.

5th. I have no doubt but verily believe that By-Law number one hundred and sixteen of said Township was passed, and the debentures issued thereunder were issued, negotiated and purchased in perfect good faith, and without any knowledge or suspicion that the same had been issued contrary to the wishes of the ratepayers of this Township, or that they were effected with any illegality, informality or defect.

6th. I am positive that previous to the negotiating and purchase of said debentures, no meeting of the people of this Township was held or called to express any opinion as to said By-Law, or as to the said Township taking stock or becoming stockholders in said company, or assisting the same in any way whatsoever.

7th. I distinctly recollect the two meetings of the people of said Township held to express their approval or disapproval of a By-Law to grant to said company a second loan of four thousand pounds, in the year of

our Lord one thousand, eight hundred and fifty-five.

[Signed] BENJ. S. McCOLLOM.

Sworn before me, at the Township of Bayham, in the County of Elgin,
this Twelfth day of May, A.D. 1865.

[Signed] JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's
Bench, in and for the County of Elgin.

AFFIDAVIT No. 15.

County of Elgin, } I, ALEXANDER SUMMERS, of the Township of
To-Wit: } Bayham, in the County of Elgin, Esquire, make
oath and say:

1st. That I am now and have been for the last 36 years a resident of
the Township of Bayham, and am now and have been a Justice of the
Peace in and for the said County for the last five years.

2nd. I know the Bayham, Richmond and Port Burwell Road Com-
pany, and I believe that the debentures issued to the said company by
the Council of said Township under their By-Law number 116, were
issued in good faith, and were also negotiated and purchased in good
faith, and without any knowledge or suspicion or cause of suspicion that
the said By-Law or the said debentures were affected with any illegality
or informality.

3rd. I never heard of any meeting of the people of this Township
ever having been called to express their approval or disapproval of said
By-Law number 116, and I do not believe that such a meeting was ever
called or held.

4th. That I have never heard until within the last few months of any
meeting of the people of this Township having been called or held to ex-
press any opinion as to the said Township taking stock or in any way
becoming stockholders in said company, and I do not believe that such
a meeting was ever called.

5th. I am satisfied that if such meetings had ever been held or called
I would have known it.

[Signed] ALEX SUMMERS.

Sworn before me, at the Township of Bayham, in the County of Elgin,
this Eighth day of May, A.D. 1865.

[Signed] JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's
Bench in and for the County of Elgin.

AFFIDAVIT No. 16.

County of Elgin, }
To-Wit: }

I, WILLIAM AUGUSTUS GLOVER, of the Township of Bayham, in the County of Elgin, Esquire, make oath and say.

1st. That I am now and have been for the last ten years a resident of said Township of Bayham, and was a member of the Council of said Township for five years, after the year one thousand, eight hundred and fifty-seven, and am a Justice of the Peace for said County.

2nd. That from my intimate knowledge of the parties concerned, I am satisfied that By-Law number one hundred and sixteen of said Township was passed in good faith, and that the debentures issued thereunder were so issued, negotiated and purchased in good faith, and without any knowledge or suspicion that said By-Law or said debentures were in any manner whatsoever illegal, informal or defective.

3rd. That until within the last few months I never heard any person or persons assert or allege that previous to the issue, negotiation and purchase of said debentures any meeting of the people or ratepayers of said Township had been called or held to express any opinion with reference to said By-Law or as to said Township taking stock or in any way becoming stockholders in said company or assisting the same in any other manner, and I am satisfied that no such meeting was called or held.

4th. That I know the route of the Bayham, Richmond and Port Burwell Road Company, and consider that the said road was and is of great and essential benefit not only to those actually using and travelling on said road, but to the inhabitants of the said Township in general. By means of said road travelling has been greatly facilitated. A large portion of the road was planked and gravelled; the remainder of the road not planked or gravelled was graded, and many parts of the road which before were almost impassable for teams during some seasons of the year were rendered by the operations of said company far better than they previously had been, and thus a market was opened up to many in the western portion of this Township, to which they could not have had access during a great portion of the year.

[Signed]

W. A. GLOVER.

Sworn before me, at the Township of Bayham, in the County of Elgin, this Thirteenth day of May, A.D. 1865.

[Signed]

JACOB S. JONES,

A Commissioner for taking affidavits in the Queen's Bench, in and for the County of Elgin.

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